

# The Palm celebrates 70th year

by Suzanne Kuperer

NEW YORK — The Palm in its 70th year, like many of its customers, has earned the right to loosen its belt, sit back and smoke a fat cigar.

But, like its deal-making, celebrity patrons, the famed restaurant is more likely sharpening its knives for the next carving — be it a steak or a new market. "The first 65 years we just ran the business the way we always did," said Bruce Bozzi, grandson of founder Pete Bozzi. "The last five years we've expanded our philosophy to try and get outside the four walls."

Infusing fresh blood into the family-run business are Bozzi's son, Bruce Jr., and his son-in-law, Fred Thimm. Thimm, who started working

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as and culling a new generation of loyal Palm fans. "We thought we could be a success only in major urban areas," Bozzi said, "but the public has changed. It used to be people would come into the cities to eat. Now they work

was shorter than the square, cloth-covered tables that jam the narrow dining room, said he is comfortable shaking up tradition. He said in 1963 all other steak houses on the block enforced a jacket-and-tie dress code. He and co-owner Walter Ganzel, grandson of co-founder John Ganzel, abolished dress restrictions to appeal to a younger crowd. "We always want to build customers in the next generation," he explained.

Nevertheless, maintaining a close relationship with existing customers, many of whom are grounded in tradition, is equally important. Bozzi and Ganzel have kept a personal feel about the restaurants as they've grown, and that has helped them retain both customers and staff.

Thimm said The Palm has one of the lowest turnover rates in the industry, with 42 percent of management promoted from within. He added that the company recently held a retirement party for two waiters and one general manager, all of whom had been with the company for more than 30 years.

That dedication has enabled The Palm to achieve sales figures above the segment average. According to management, Palm's gross about \$4 million annually, ex-

and live in the suburbs."

Bozzi is used to shifting demographics and has kept The Palm alive by changing with the times. He said 40 years ago women never ate

Toasting the 70th anniversary of the original Palm restaurant are, from left, Bruce Bozzi Jr., Maryann Bozzi, Palm chief operating officer Fred Thimm, Mark Ganzel and third-generation co-owner Bruce Bozzi. In the background are caricatures of 70-year-old celebrities.

at the East Hampton, N.Y. Palm as a waiter, said he fell in love with the restaurant as well as with Bozzi's daughter. He was appointed chief operating officer of Palm Management Corp. in 1990 and is responsible for a heightened expansion push and modernization of the company's operating systems.

With the steak segment booming and with Ruth's Chris and Morton's plowing across the country faster than stampeding steers, The Palm needed to step into the 21st century if it expected to celebrate many more anniversaries, Bozzi said.

"It's the best thing that's happened to us," he said. "Morton's and Ruth's Chris have forced us to pay more attention to how we operate."

While The Palm was one of the first upscale steak-and-seafood restaurants to expand, opening a restaurant in Washington in 1972, it has continued to grow at a pace far slower than those of its competitors. Bozzi said the family nature of the business and their refusal to franchise have contributed to an opening schedule of about one restaurant every two years. The chain now has 15 units.

However, Thimm said he hopes to accelerate growth by expanding into suburban ar-



Winners of the "Greatest Moments Made at The Palm" contest, who were selected from more than 400 entries, were, from left, Bob and Ann Greenberg, Bethesda, Md.; Cathy O'Donohue, Las Vegas; Theresa Powers, Dallas; and Steve Harris, Dallas.

lunch at The Palm. "If you saw a woman in here at lunch, it was like seeing an extraterrestrial," he said. Today, he added, women not only frequent the establishment during all dayparts but also often enjoy a cigar after their meal.

Bozzi, who started working at the restaurant when he

cept for the Las Vegas unit, which is the most profitable store in the chain, with \$7 million in sales.

The \$70 million company employs 649 people — a long stretch from the single-unit operation that made a name for itself as a steak house by catering to local journalists

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